

RANGELY DISTRICT HOSPITAL
BOARD OF DIRECTORS MEETING
September 24, 2015

BOARD MEMBERS PRESENT

Stephen Petersburg, Chairman
John Payne, Vice Chairman
Jason Kurrasch, Secretary/Treasurer
Buford Adams, Director
Nathaniel Polley, Director

OTHERS PRESENT

Nick Goshe III, CEO
Jim Dillon, CFO
Bernie Rice, CCO
Cynthia Stults, Executive Assistant
Nancy Droste, Radiology

I. WELCOME/CALL TO ORDER

A quorum being present, this regular meeting of the Rangely Hospital District Board of Directors was called to order at 5:58p.m. by Stephen Petersburg, Chairman of the Board.

II. APPROVAL OF MINUTES

Minutes of the Rangely District Hospital Board of Director's meeting dated August 27, 2015 were presented for review. A motion was made and seconded to accept the minutes as presented. The motion carried unanimously. **(ACTION/TAKEN/CLOSED)**

III. PUBLIC FORUM

- A. Correspondence:** There was no correspondence presented at this meeting.
- B. General Public:** There was no one from the general public present.

IV. MEDICAL STAFF REPORT

- A. Review of Medical Staff Report (Accepted):** Minutes of the September 10th, 2015 Medical Staff Report were presented for review. A motion was made and seconded to approve minutes as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- B.** It was recommended to reappoint Robert Kurtzman, DO to Courtesy Staff in Pathology with officer and voting privileges for two years. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

- C. It was recommended to reappoint Dean M Havlik, MD to Consulting Staff in Pathology for a two year appointment. A motion was made and seconded. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**

V. COMPLIANCE REPORT

- A. **EMR update:** We are upgraded to Meditech 5.67. So far so good, we have resolved some issues and things seem to be running smoothly. This is our third upgrade so far, and we seem to be getting better with them each time.
- B. **ICD-10:** We held an ICD-10 Preparation Coding class with the providers, coders and billing company. All reviews thus far have been positive. The physicians felt that this training was especially helpful.

VI. FINANCIAL REPORTS

- A. **Presentation of August's Financial Report:** We are still expecting \$192,847 of additional funds from our 2013 cost report. We have received the second of 3 makeup payments for our long awaited 2015 HPF funds as is reflected in cash. The preliminary budget for Fiscal Year 2016 is enclosed as a separate packet for your review. We will be discussing this in a few minutes. August stats showed improvement in Inpatient, Lab, and Physical Therapy, but in general remain at levels we have experienced throughout this year. Revenue is 6% less than budget but 3% greater than last year. Gross profit is 11% more than last year and 3% more than budget. The improvement is due to receipt of the second of three HPF makeup payments in August and about \$280,000 in Medicare EMR incentive payments. Both of these payments are included in the "Medicare" line on the summarized P&L statement. Total Expenses are 1% more than budget but 1% less than last year. Payroll expense is 6% above budget and 8% more than last year. Purchased service expenses are 5% less than budget and 40% less than last year. Year-to-date Net Income is (\$149,102) which is better than last year's figure of (\$1,014,264) and better than the budgeted figure of (\$478,682). Cash balances are up for August as expected with the receipt of the first two HPF makeup payments. Currently we are not expecting to need a line of credit for 2016, but we may want to have it in place to see how the transition to ICD-10 goes. The Check Register for August was reviewed. A motion was made and seconded to accept the August 2015 Financial Report as presented. The motion carried unanimously. **(ACTION TAKEN/CLOSED)**
- B. **2016 Preliminary Budget:** The budget for 2016 anticipates a continuation of conditions that existed in 2015. That is, the current local downturn continues and major expense categories remain static. Budgeted profit is slightly better than that forecasted for the current year and cash flow remains positive. The hospital is facing substantial future challenges from ongoing electronic medical record requirements, the October 1st implementation of ICD-10, and a rapidly changing regulatory and insurance environment, as well as our local economic uncertainty. In light of this, management is taking a conservative tact with the 2016 budget with conservation of cash as a priority. We have discussed our assumptions and will present the proposed budget as required in the December Board Meeting.

VII. OLD BUSINESS

A. Dr. Urish and Dr. Sutton: We held the community meet and greet for Dr. Urish and Dr. Sutton last week here at the hospital. This seemed to go well. Probably should have checked the Thursday night football schedule, but it still went well.

VIII. NEW BUSINESS

A. Physical Therapy: Luke Geer has accepted the physical therapy manager job and will start the last week of December. Erin will work 15 hours a week and start in the first week of January. Patrick whom we have as a locum will work until the middle of January. We also have a physical therapy assistant working there as well and her name is Kirstin Ronan. She is a locum but is looking for permanent work. If she works out we may hire her.

IX. BUSINESS FROM THE FLOOR

A. No Business from the floor was presented.

X. EXECUTIVE SESSION

It was noted that there was not a need for an executive session this evening.

XI. ADJOURNMENT

A motion was made and seconded to adjourn this regular meeting of the Rangely Hospital District Board of Directors at 6:54 p.m. Motion approved. **(ACTION TAKEN/CLOSED)**

Submitted By:

Jason Kurrasch, Secretary/Treasurer, Board of Directors

Date: _____

Cynthia Stults, Executive Assistant

Date: _____